



# Brownfields Cleanup Revolving Loan Fund Pilots

## Las Vegas, NV

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Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

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EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund program (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

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## BACKGROUND

The City of Las Vegas is a thriving metropolis of over 440,000 people, in a valley containing over 1.2 million people. Upwards of 30,000,000 visitors come to the City each year to experience the sites, lights, and entertainment that is offered in and around the City. While Las Vegas, Nevada has experienced unprecedented growth in its desirable Valley areas, the environmentally-impaired sites surrounding these desirable areas have been consistently neglected by developers. The Las Vegas BCRLF pilot targets just over five square miles located in the Brownfields Assessment Pilot area and the City's Redevelopment Area. In the Redevelopment Area, more than 30 percent of the residents live near environmentally-impaired sites and live below the poverty level. Seventy percent of the Redevelopment Area is located in the Las Vegas Enterprise Community. Current land uses in the area include commercial (45 percent), residential (25 percent), hotel/casino (20 percent), and manufacturing/industrial (15 percent). The City's Redevelopment Agency sought out potential programs and incentives to expedite the redevelopment process to improve social and economic conditions for the residents in the Redevelopment Area.

The City of Las Vegas Redevelopment Agency was awarded a \$200,000 Brownfields Demonstration Assessment Pilot in May of 1998. Within a few months of receiving these funds, the Redevelopment Agency selected its first brownfields site, the former Las Vegas

Armory, for environmental assessment. Two additional sites were identified for assessment shortly thereafter, and the momentum for redevelopment of blighted sites in the target area has increased ever since.

The City of Las Vegas was awarded a Brownfields Cleanup Revolving Loan Fund (BCRLF) Pilot in May of 1999. The BCRLF will bridge the gap between environmental assessment and development of brownfields properties by providing the capital to fund cleanup efforts for brownfields sites. The former National Guard Armory site, the first brownfields site to benefit from funding provided in the Assessment Pilot project, also was the first to receive *loan* funds from the BCRLF.

## STRUCTURE OF BCRLF PILOT PROGRAM

The City will serve as lead agency and site manager. In addition, the City, with experience managing Community Development Block Grants and US Economic Development Agency loan funds, also will serve as fund manager.

## BCRLF CLEANUP SITE

The project site is a former National Guard Armory, 3.6 acres in size and located at the southeast intersection of Eastern Avenue and Stewart Avenue. The Nevada Army National Guard provided oversight of the operations at this site from about 1948 to 1997. During this time frame,

operations at the site included storage of petroleum, oils, lubricants, and hazardous materials, including the storage and maintenance of vehicles. After ceasing operations at this site, the National Guard returned possession of the site to the City in Fall of 1997.

The City of Las Vegas immediately selected the Armory site for redevelopment as a community center that would serve as a senior center, small business center/incubator, cultural arts center, and limited retail space.

In early 1998, a Phase I Environmental Site Assessment was conducted by the City. This assessment indicated the potential for soil and possible groundwater contamination and recommended soil and groundwater sampling. A Sampling and Analysis Plan was prepared for the site in April of 1999 and soil-sampling activities were performed as part of a Tier I Environmental Site Assessment. This assessment indicated that soil contamination consisted of CERCLA-listed solvents and metals commingled with diesel range petroleum hydrocarbons. A second Sampling and Analysis Plan was produced in July of 1999. Soil and groundwater sampling activities were performed as part of a Tier II Environmental Site Assessment. This assessment indicated that the extent of soil contamination appeared to be limited to about 600 cubic yards of soil in the immediate vicinity of the former hydraulic lift vault. The Tier II Assessment also indicated that contaminant constituents had not impacted the groundwater of the subject property.

## **BCRLF BORROWER AND LOAN STRUCTURE**

A \$50,000 loan was made to cleanup this site. The loan is between the City Of Las Vegas and the Redevelopment Agency, a separate political subdivision of the State of Nevada. This loan term is 2 years and the interest rate is 2% to demonstrate to the development community how the program works. The City has designated appropriate staff to act as the Site Manager and represent the City as the Lead Agency. One goal of the Las Vegas BCRLF Pilot program is to provide development incentives and show how smoothly and quickly a site cleanup can take place.

## **COMMUNITY OUTREACH**

The key to successful community relations is to begin a genuine dialogue with the community at a project's earliest stages. During the assessment stage, the City presented community relations informational materials in both Spanish and English. The neighborhoods in the immediate vicinity of the Armory site are predominantly Hispanic and have statistically high unemployment and poverty levels.

This economically depressed environment prompted the City to pursue a variety of avenues for disseminating information about the BCRLF, site cleanup activities, and proposed land use for the property. Signs were posted to maximize exposure of the information to pedestrian traffic and were placed adjacent to bus stations to enhance awareness. Informational articles were published in the major circulation Spanish and English newspapers. Finally, following interviews with City Staff, local community leaders were encouraged to describe and discuss elements of the City's BCRLF Program and the redevelopment project proposed for the Armory site during community meetings and through professional networks.

## **PROPOSED SITE REUSE PLAN**

The City is using the BCRLF to promote redevelopment of the 3.6-acre site for a community and small business incubation center to encourage residents in the area to take charge of their neighborhoods. By incubating small businesses, the City hopes to improve the chances for success of enterprises that can broaden the economic base of the community and pull the innovative ideas and potential from a community that might not otherwise have such opportunities. The success of a similar business center project, the Las Vegas Business Center, produced over 75 jobs and similar results are expected from the proposed center. The business center, in particular, will be promoted through a public/private partnership. Through the community and business incubation center, the City hopes to foster a climate of innovation and entrepreneurial spirit, promote cultural growth and exhibition, and offer senior residents a convenient activity center.

## **CONTACTS**

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For additional information, contact the RCRA/ Superfund Hotline at: (800) 424-9346 or visit the EPA Brownfields website at:

<http://www.epa.gov/brownfields>

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Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.

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